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Appropriations Policy Brief

H.R. 2361 — Interior and Environment Appropriations Act for FY 2006 Conference Report

BY THE NUMBERS:

In Millions of Dollars

	FY05 Enacted	FY06 Request	FY06 House Bill	FY06 Senate Bill	FY06 Conf Report
Appropriations	26,270	25,675	26,107	26,207	26,159
VA Health	1,500	0	0	1,500	1,500
<i>Emergency</i>	209	0	0	0	0
Total	27,979	25,675	26,107	27,707	27,659

Excluding Emergency Appropriations and VA healthcare funding, the Committee Bill is:

- \$601 million (2.3%) less than last year
- \$484 million (1.9%) **more** than the President requested

Budget Compliance: According to CBO, the bill **violates** the FY06 budget resolution by \$52 million by exceeding the 302(b) allocation of the Interior and Environment Appropriations Subcommittee. In addition, the bill exceeds the FY05 budget resolution by \$400 million as a result of the VA healthcare funding (see discussion below). As a result, Members **will** be asked to waive points of order lying against H.R. 2361 (and thus waive the budget) in voting for the rule governing consideration of the bill. **Note:** The RSC budget point of order rule change applies only to House-passed appropriations – not conference reports.

If the House Appropriations Committee intends to recoup this \$52 million from later conference reports, it should provide a “road map” on how it intends to do so, for example, by providing an informal revised set of 302(b) allocations. The Budget Act precludes the Committee from formally adjusting its 302(b) because any such alteration must be consistent with “any actions already taken by its House.” In other words, because the Committee is exceeding this allocation, it will need to change the allocation levels for other bills so that the House does not end up breaching the entire amount budgeted for appropriations (302(a)). The Committee cannot officially fix the problem by simply erasing the House-passed Interior allocation and inserting the allocation assumed in the Interior Conference report, because Budget rules prevent it. Without seeing a road map from the Committee on how it will fix the problem and come in at the overall FY06 level of spending, Members concerned about violating the budget are forced to trust that the savings will be found later in the appropriations process, at the a time when significant differences exist between the remaining House-passed appropriations bills and the more costly Senate bills.

Items of Note:

VA Healthcare Shortfall Funding: Provides \$1.5 billion in funding to address a shortfall in FY05 veterans' healthcare. According to the Budget Committee, there remains only \$1.1 billion under the FY05 budget resolution as a result of a rescission included on the Iraq supplemental (P.L. 109-13). Since the \$1.5 billion provided in H.R. 2361 is not declared an emergency, this funding will cause the FY05 budget resolution to be exceeded by \$400 million.

In addition to the \$975 million the House had already passed (H.R. 3130), the Administration subsequently requested \$300 million for FY05 and \$1.7 billion for FY06 – bringing the total amount needed to address the shortfall for both fiscal years to \$3 billion. Though the higher Senate-passed number of \$1.5 billion will be provided, it appears that only \$1.3 billion is needed to address the shortfall in FY05. The FY06 funding will be provided on a later appropriations bill. For more information on this issue, please see:

<http://johnshadegg.house.gov/rsc/LB%2006-30-05-VA%20Healthcare.pdf>

Across-the-Board Rescission: Includes an across-the-board .476 percent rescission of all FY06 discretionary accounts in Titles I through IV (not the FY05 VA healthcare funding in Title VI) to help pay for higher spending in certain accounts. Title V is discussed below.

Forest Service Facility Realignment and Enhancement (Title V): Authorizes the Secretary of Agriculture to convey National Forest Service System's "administrative sites" (by sale or lease) if they are not being utilized. Such sites include: a forest headquarters, a ranger station, a warehouse, a fire-lookout station, etc. Certain federal lands could not be conveyed, including land within the National Wilderness Preservation System, the Wild Scenic River System, National Monuments, etc. The Secretary would be required to ensure the federal government achieved a fair market value for any site conveyed.

Payment in Lieu of Taxes (PILT): Increases PILT payments by \$9.2 million from \$226.8 million to \$236 million. PILT payments go to counties that contain large shares of federally owned land to compensate for an inability to tax federal lands. The Administration proposed to decrease these payments by \$27 million to \$200 million for a number of reasons: (1) these counties currently share in the revenues generated from mineral and other extractive industries, (2) the federal government covers many of the costs associated with managing these lands, such as road maintenance, and (3) these payments were held at roughly a flat rate for two decades, until 2001 when they increased 48%.

Alaska Native Villages: Reduces funding for the EPA's Alaska Native Villages program from \$45 million to \$35 million, spending \$20 million more than requested by the Administration. The program provides grants to the State of Alaska to help rural and native communities, who lack flush toilets and running water, improve their sanitation infrastructure. The Administration cited audits that the program has been prone to unexplainable purchases, cost overruns, and wasteful spending.

Save America's Treasures: Continues to fund at \$30 million the Save America's Treasures Program begun by former First Lady Hillary Clinton to help preserve nationally significant sites, structures, and artifacts.

Washington Monument Visitor Facility: Prohibits funds from being used for the planning, design, or construction of any underground security screening or visitor facility at the

Washington Monument until the House and Senate Committees on Appropriations have approved such a facility in writing.

Biodiversity Convention: Prevents funds from being used for activities in direct response to the United Nations Biodiversity Convention.

Leasing Activities: Prohibits funds from being used for Outer Continental Shelf leasing activities in certain areas of California, the North Atlantic, Washington and Oregon, and the eastern Gulf of Mexico.

Underground Lunchroom: Prohibits funds from being spent to close the underground lunchroom at the Carlsbad Caverns National Park in New Mexico.

John F. Kennedy Center: Provides \$31 million (\$18 million for operations and maintenance and \$13 million for construction) for the John F. Kennedy Center for the Performing Arts in D.C.

Indian Gaming: Allows the National Indian Gaming Commission to collect \$12 million in fees for fiscal year 2006. In addition, the bill prohibits gaming under the Indian Gaming Regulatory Act on lands described in section 123 of the Department of the Interior and Related Agencies Appropriations Act of 2001, or land that is contiguous to that land.

Alaskan Alcohol Treatment: Provides \$15 million for alcohol control, enforcement, prevention, sobriety, and wellness in Alaska.

Outsourcing/A-76 Activities: Limits the amount of funds (\$3.5 million) to initiate or continue outsourcing studies under OMB Circular A-76 (governing the federal government's outsourcing policies). In addition, the Forest Service is exempted from certain requirements under Circular A-76.

Kalaupapa National Historical Park Advisory Commission: Extends the Kalaupapa National Historical Park Advisory Commission in Hawaii, an eleven-member commission (one of which must be a Native Hawaiian) that advises the Interior Secretary on park operations, including training programs, by 2025.

Funding Summaries:

In Millions

	FY 2005 Enacted	FY 2006 Request	FY 2006 House	FY2006 Senate	FY2006 Conf	Conf Vs. Request	Conf Vs. FY 2005	Conf Vs. House
Department of Interior	9,801	9,790	9,800	9,908	9,918	128	117	118
<i>Bureau of Land Management</i>	1,797	1,760	1,755	1,788	1,781	21	-16	26
<i>Fish and Wildlife Service</i>	1,292	1,323	1,305	1,315	1,330	7	38	25
<i>National Park Service</i>	2,317	2,248	2,228	2,332	2,282	34	-35	54
<i>Bureau of Indian Affairs</i>	2,296	2,186	2,319	2,269	2,308	122	12	-11
<i>Other, Dept. of Interior</i>	2,099	2,273	2,193	2,204	2,217	-56	118	24
Environmental Protection Agency	8,023	7,521	7,707	7,883	7,733	212	-290	26
Forest Service (USDA)	4,672	4,063	4,240	3,712	4,263	200	-409	23
Health and Human Services	3,139	3,204	3,259	3,224	3,246	42	107	-13
Other	1,125	1,097	1,101	1,480	1,106	9	-19	5
Across-the-Board Cut	0	0	0	0	-107	NA	NA	NA
Grand Total	26,760	25,675	26,107	26,207	26,159	484	-601	52

Earmarks in the Bill Text:

- \$1 million, Custer County, ID
- \$1 million for a forest recreation center in Madison County, NC
- \$500,000 for Folkmoot USA in Haywood County, NC (Appalachian folk programs)
- \$5 million for a grant to Kendall County, IL (section 437)

Note: The Joint Explanatory Statement of the Conference Committee contains a number of earmarks beginning on page H6580 of the Congressional Record (July 26, 2005).

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